

and make such records available for examination by the OCC. Such records must include, but are not limited to:

(1) The amount of your assets or liabilities (including any guarantees you make with respect to the securities issuance) that have been transferred or made available to the subsidiary; the percentage that such amount represents of the current book value of your assets on an unconsolidated basis; and the current book value of all such assets of the subsidiary;

(2) The terms of any guarantee(s) issued by you or any third party;

(3) A description of the securities the subsidiary issued;

(4) The net proceeds from the issuance of securities (or the pro rata portion of the net proceeds from securities issued through a jointly owned subsidiary); the gross proceeds of the securities issuance; and the market value of assets collateralizing the securities issuance (any assets of the subsidiary, including any guarantees of its securities issuance you have made);

(5) The interest or dividend rates and yields, or the range thereof, and the frequency of payments on the subsidiary's securities;

(6) The minimum denomination of the subsidiary's securities; and

(7) Where the subsidiary marketed or intends to market the securities.

§ 159.13 How may a Federal savings association exercise its salvage power in connection with its service corporation or lower-tier entities?

(a) In accordance with this section, a Federal savings association ("you") may exercise your salvage power to make a contribution or a loan (including a guarantee of a loan made by any other person) to your service corporation or lower-tier entity ("salvage investment") that exceeds the maximum amount otherwise permitted under law or regulation. You must notify the appropriate OCC licensing office at least 30 days before making such a salvage investment. This notice must demonstrate that:

(1) The salvage investment protects your interest in the service corporation or lower-tier entity;

(2) The salvage investment is consistent with safety and soundness; and

(3) You considered alternatives to the salvage investment and determined that such alternatives would not adequately satisfy paragraphs (a)(1) and (a)(2) of this section.

(b) If the OCC notifies you within 30 days that the Notice presents supervisory concerns, or raises significant issues of law or policy, you must apply for and receive the OCC's prior written approval under the standard treatment processing procedures at part 116, subparts A and E of this chapter before making a salvage investment.

(c) If your service corporation or lower-tier entity is a GAAP-consolidated subsidiary, your salvage investment under this section will be considered an investment in a subsidiary for purposes of part 167 of this chapter.

PART 160—LENDING AND INVESTMENT

Sec.

160.1 General.

160.2 Applicability of law.

160.3 Definitions.

160.30 General lending and investment powers of Federal savings associations.

160.31 Election regarding categorization of loans or investments and related calculations.

160.32 Pass-through investments.

160.33 Late charges.

160.34 Prepayments.

160.35 Adjustments to home loans.

160.36 De minimis investments.

160.37 Real estate for office and related facilities.

160.40 Commercial paper and corporate debt securities.

160.41 Leasing.

160.42 State and local government obligations.

160.43 Foreign assistance investments.

160.50 Letters of credit and other independent undertakings—authority.

160.60 Suretyship and guaranty.

160.93 Lending limitations.

160.100 Real estate lending standards; purpose and scope.

160.101 Real estate lending standards.

160.110 Most favored lender usury preemption.

160.120 Letters of credit and other independent undertakings to pay against documents.

160.121 Investment in state housing corporations.

160.130 Prohibition on loan procurement fees.

160.160 Asset classification.